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SECRETARY, BOARD OF
OIL, GAS & MINING

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**BEFORE THE BOARD OF OIL, GAS & MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

IN THE MATTER OF THE REQUEST FOR
AGENCY ACTION OF UTAH DIVISION OF
OIL, GAS, AND MINING FOR A
CESSATION ORDER AND CIVIL
PENALTIES AGAINST MONTEZUMA
WELL SERVICE, INC., AND EARL
MARTINEZ, OWNER AND OPERATOR OF
THE MONTEZUMA CREEK WASTE
DISPOSAL FACILITY, SECTION 14, T 40
SO., R. 22 EAST, SAN JUAN COUNTY,
UTAH.

ORDER OF CONTINUANCE

Docket No. 2009-015

Cause No. WD-04-2009

The foregoing Request for Agency Action (RAA) filed by the Division of Oil, Gas and Mining, (Division) seeking a Cessation Order and civil penalties against Montezuma Well Service, Inc. (Montezuma) and Earl Martinez individually came on for hearing before the Utah Board of Oil, Gas, and Mining ("Board) on July 28, 2010. The Board heard testimony from Lisha Cordova, and Brad Hill on behalf of the Division, and from Earl Martinez and Eugene Guerito on behalf of Montezuma and Earl Martinez. The Division was represented by Steve Alder, Assistant Attorney General and Earl Martinez appeared for himself and for Montezuma Well Services, Inc. having

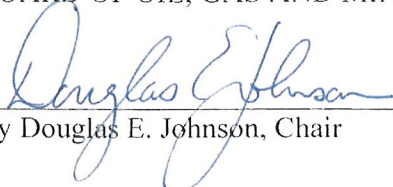
agreed to proceed without being represented by counsel. Board members Ruland J. Gill, Kelly L. Payne, Sam Quigley, and Douglas E. Johnson, Chair, were present.

At the July hearing a verbal settlement was proposed to allow continuation of the hearing of the RAA upon certain conditions. The Board moved to continue the matter for one month to allow the parties time to put the stipulation in writing, to meet with and obtain the consent of the School and Institutional Trust Lands Administration (SITLA) as land owner, and to make an evaluation of the economic viability of the proposed settlement. The Board again heard testimony on August 25, 2010 from Bart Kettle and Brad Hill on behalf of the Division and from Earl Martinez for Montezuma and himself. Sonja Wallace appeared and gave a statement in support of the Stipulation on behalf of the SITLA. The Division was represented by Steve Alder, Assistant Attorney General and Earl Martinez appeared for himself and for Montezuma Well Service, Inc. having agreed to proceed without being represented by counsel. Board members Jake Y. Harouny, James T. Jensen, Jean Semborski, Ruland J. Gill, Kelly L. Payne, Sam Quigley, and Douglas E. Johnson, Chair, were present.

Now Therefore, upon the motion of the Division, after the evidentiary hearings, pursuant to Utah Code Annotated § 40-6-6, and being fully advised, the hearing of the Division's Request for Agency Action is continued for a period of one year in accordance with the terms of the Stipulation attached hereto. The parties are to comply with the actions and terms of the attached Stipulation and report to the Board at the August 2011 Hearing, provided that in the event of the failure of the parties to abide by the terms of the Stipulation the matter may be scheduled for evidentiary hearing of the RAA at any time upon 15 days prior notice.

DATED this 27 day of August, 2010.

BOARD OF OIL, GAS AND MINING


By Douglas E. Johnson, Chair

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing ORDER OF CONTINUANCE for Docket No. 2009-015, Cause No. WD-04-2009 to be mailed with postage prepaid, this 31st day of August, 2010, to the following:

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